

Ex 11c

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Dada Corporation,

Plaintiff,

-v-

Damani Dada Enterprises, Inc.,

Respondent.
-----X

Cancellation No.: 92040714

In re Registration No. 2,074,086
(DAMANI DADA)

Date of Issuance: June 24, 1997

**NOTICE OF MOTION
FOR RELIEF FROM
DEFAULT JUDGMENT**

PLEASE TAKE NOTICE that upon Respondent's accompanying Motion For Relief From Default Judgment, and upon the annexed Declaration of Teresa A. Lee, Esq. with accompanying exhibits, and upon the Declaration of Dwayne Lewis, Respondent hereby moves the Trademark Trial And Appeal Board (hereinafter the "Board"), for an Order pursuant to Fed. R. Civ. Proc. § 60(b)(1) granting Respondent's Motion For Relief From Default Judgment, and Respondent's request for thirty (30) days from the date on which this Motion is granted for the filing of its response, together with such other and further relief as the Board deems just and proper.

Dated: New York, New York
February 3, 2003

Respectfully submitted,

By: 

Perry M. Amsellem
Teresa A. Lee

Pryor Cashman Sherman & Flynn LLP
410 Park Avenue
New York, NY 10022

Attorneys for Respondent
Damani Dada Enterprises, Inc.

02-03-2003

U.S. Patent & TMO/c/TM Mail Rcpt Dt. #47

**THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

-----X
Dada Corporation
Plaintiff,
-v-
Damani Dada Enterprises, Inc.,
Respondent.
-----X

: Cancellation No.: 92040714
: In re Registration No. 2,074,086
: (DAMANI DADA)
: Date of Issuance: June 24, 1997

**MOTION FOR RELIEF FROM DEFAULT JUDGEMENT BASED
UPON SURPRISE, INADVERTENCE, OR EXCUSABLE NEGLIGENCE**

Damani Dada Enterprises, Inc., the Respondent in the above matter (hereinafter "Damani Dada"), by its attorneys Pryor Cashman Sherman & Flynn LLP (hereinafter "Pryor Cashman"), hereby moves the Trademark Trial And Appeal Board (hereinafter the "Board"), pursuant to T.B.M.P. §§ 317.03 and 545, and Fed. R. Civ. Proc. § 60(b)(1) for an order to set aside the default judgment entered on January 16, 2003 in connection with the above-referenced registration. Damani Dada respectfully requests that it be given thirty (30) days from the date on which this motion is granted for the filing of its response.

FACTUAL BACKGROUND

The default judgment granted in this action should be set aside because, as set forth in the supporting Declarations of Teresa A. Lee and Dwayne Lewis, the default judgment was the

result of surprise, inadvertence, or excusable neglect within the meaning of Rule 60(b)(1) of the Federal Rules of Civil Procedure in that:

1. In or about February 2002, Damani Dada enlisted the law firm of Pryor Cashman as its new trademark counsel for purposes of handling Damani Dada's trademark portfolio inclusive of the registration that is the subject of the instant motion (hereinafter the "DAMANI Registration").
2. On April 5, 2002, Pryor Cashman filed a change of power of attorney (hereinafter the "POA") with the U.S. Patent and Trademark Office (hereinafter the "USPTO") whereby Pryor Cashman was empowered with the authority to prosecute and transact any and all business in the USPTO in connection with the subject registration. See Exhibit A to Declaration of Teresa A. Lee (hereinafter the "Lee Decl.")¹ Pursuant to such POA, Damani Dada requested that the USPTO update its records to reflect Pryor Cashman as the new correspondent such that all future communications pertaining to the DAMANI Registration would be mailed to Pryor Cashman located at 410 Park Avenue, New York, NY 10022.
3. On behalf of plaintiff Dada Corporation (hereinafter "DC"), counsel to DC, Jacobson Holman, PLLC (hereinafter "Jacobson"), filed a Petition for Cancellation on June 24, 2002 in connection with the DAMANI Registration (hereinafter the "DAMANI Proceeding").
4. On July 3, 2002, a Notice of the Petition for Cancellation (hereinafter the "Notice") was issued by the Board and erroneously mailed to Damani Dada at 377 Brightseat Road, Capital Heights, MD 20785 (hereinafter the "Maryland address"). However, Damani Dada never received said Notice because Damani Dada had vacated that location in or about January 2000. See Declaration of Dwayne Lewis (hereinafter the "Lewis Decl.")

¹ All references to exhibits herein are annexed as exhibits to the Lee Decl.

5. On July 12, 2002, the Notice was returned to the Board undelivered given that Damani Dada no longer existed at the Maryland address where such Notice was mailed.
6. Given that service was not properly effected on Damani Dada, the Board suspended the proceedings on September 6, 2002 pending service by publication in the Official Gazette on October 8, 2002.
7. On January 16, 2003, the Board granted DC's Petition for Cancellation on default.
8. On January 24, 2003, Pryor Cashman discovered the existence of the DAMANI Proceeding through advisory from a third party. Upon such discovery, appropriate steps were immediately undertaken and the instant motion was filed so as to minimize delay.

LEGAL STANDARD

Under Rule 60(b)(1) of Fed. R. Civ. Proc., the Board "may relieve a party or a party's legal representative from a final judgement, order or proceeding" upon proper motion where "mistake, inadvertence, surprise, or excusable neglect" is shown. In this instance, "surprise, inadvertence," and "excusable neglect" have all been shown by the facts set forth above. For this reason, the motion for relief from default judgment is proper.

The Board and Courts are loathe to grant judgments by default and as a matter of sound public policy and equitable consideration prefer to resolve civil disputes on the merits. Moreover, the Board and Courts routinely set aside a default where good cause is shown. As set forth below, good cause for vacating the default judgment here exists because: (1) the delay in responding has not resulted from an act that is willful, in bad faith or in gross neglect; (2) the delay of defendant has not resulted in substantial prejudice to the plaintiff; and (3) the defendant has a meritorious defense. Harsco Corp. v. Electrical Sciences, Inc., 9 U.S.P.Q.2d (BNA) 1570

(T.T.A.B. 1988); Ohio State University v. Ohio University, 51 U.S.P.Q.2d (BNA) 1289 (T.T.A.B. 1999); T.B.M.P. §§ 317.03 and 545.

In the case at hand, the facts establish a finding of good cause for the following reasons. First, the delay in responding has not resulted from an act that is willful, in bad faith or in gross neglect. As stated above, on April 4, 2002, Pryor Cashman filed the POA to ensure that all future correspondence pertaining to the DAMANI Registration would properly be served upon Pryor Cashman. Despite such filing, the USPTO records were not amended to reflect Pryor Cashman as the new correspondent. Had the USPTO records been properly amended, the Notice would have been properly served and a default would have never been entered. Instead, the Notice issued by the Board on July 3, 2002 was mailed to Damani Dada's expired address in Maryland, a location that Damani Dada had since vacated on or about January 2000. Simultaneous with its move to New York, Damani Dada notified the post office of its forwarding address to ensure that all mailings would be sent to 350 Fifth Avenue, Suite 4713, New York, NY 10018. On or about November 2001, Damani Dada subsequently relocated to 499 Seventh Avenue, 2nd Floor, New York, NY 10018 where it currently resides, and likewise, simultaneously took the appropriate steps in notifying the post office of its new and current location. See Lewis Decl.

Furthermore, upon information and belief, DC and its trademark counsel, Jacobson, had actual knowledge that Damani Dada is currently being represented by Pryor Cashman due to a cancellation proceeding (hereinafter the "DC Proceeding") that was instituted by Pryor Cashman on behalf of Damani Dada and Kyarra Inspires Incorporated (hereinafter "Kyarra") against DC's registration for the mark *DADA with Foreign Characters* (hereinafter "DADA with

Characters”) as reflected in Reg. No. 1,896,120 (hereinafter the “DC Registration”). See Lee Decl.

Given that service of the Notice on Damani Dada was not properly effected on July 3, 2002 given its move from Maryland to New York, Jacobson, as counsel to DC, could have -- and should have -- contacted Pryor Cashman, as counsel to Damani Dada, for purposes of providing proper service on Damani Dada and/or for purposes of ascertaining Damani Dada’s current location in order to effect direct service upon Damani Dada. Neither of these steps were taken by Jacobson despite its actual knowledge regarding Pryor Cashman’s representation of Damani Dada. Had Jacobson done so, the default judgment entered by the Board would have been avoided.

Thus, given the above circumstances, neither Damani Dada nor its counsel knew of the existence of the DAMANI Proceeding that was filed by DC until recently, on January 24, 2003, at which time Pryor Cashman took all immediate and proper steps that led to the filing of the instant motion. See Lee Decl. The totality of the circumstances demonstrates that the delay in responding did not result from an act that was willful, in bad faith or in gross neglect.

Second, the delay of Damani Dada has not resulted in substantial prejudice to DC. Just over two weeks have passed since the Board’s decision to grant the cancellation was issued. Such delay is minimal. Delay alone is not a sufficient basis for establishing prejudice. Davis v. Musler, 713 F.2d 907 (2d Cir. 1983).

Third, Damani Dada has a meritorious defense. In its Petition for Cancellation, DC alleged that the mark DAMANI DADA “is likely to cause confusion, mistake, and/or to deceive as to the origin, sponsorship, and/or association of [DC’s] goods . . . into believing that [DC’s] goods are sold by, emanate from, and/or in some way, directly or indirectly, are associated with

[DC]”. See para. 10 of DC Petition for Cancellation. DC based its claim upon ownership of the DADA *with Characters* mark as reflected in the DC Registration.

As noted above, DC’s DADA *with Characters* mark is currently the subject of a pending cancellation proceeding instituted (otherwise referred to herein as the “DC Proceeding”) by Kyarra and Damani Dada. See Exhibit B.

Due to apparent defects existing with respect to DC’s Section §§ 8, 15 Affidavit (hereinafter the “Use Affidavit”)² filed on May 30, 2001 which may in and of itself result in the DC Registration being cancelled on its own, the DC Proceeding was suspended on January 7, 2003 by the Board, upon motion of Kyarra.

Moreover, upon information and belief, it appears that DC is not currently using the mark *as registered* given that DC attempted, on two occasions, to amend its registration by requesting deletion of the characters portion that appears in the registration (hereinafter the “§ 7 amendment”). See Exhibit E. DC’s attempts were twice rejected by the USPTO pursuant to subsequent office actions that issued on April 3, 2002 and October 28, 2002. See Exhibit F.

Furthermore, even assuming *arguendo* that DC is currently using the mark *as registered* and therefore subsequently provides the USPTO with an acceptable specimen of use, the DC Registration is void *ab initio* given that Boo-Y1 Park (hereinafter “Park”), the individual who filed the application on May 24, 1993 for the DADA *with Characters* designation (hereinafter the “Park Application”)³ did not own such mark as of the filing date of the Park Application. Pursuant to an agreement of assignment memorialized on June 12, 2000 (hereinafter the “assignment”), Park purports to assign all of his rights in the DADA *with Characters* trademark

² See Exhibit C. Particularly, the USPTO rejected DC’s Affidavit on the basis that the “specimen submitted does not show the mark identified in the registration” (e. g., the foreign characters do not appear on the specimen). See Exhibit D for true and correct copy of the office action that issued in connection with DC’s Use Affidavit.

to DC as of April 24, 1984. See Exhibit H.⁴ Such assignment date, namely, April 24, 1984, pre-dates the filing date of the Park Application, namely, May 24, 1993. Accordingly, given that Park did not own the DADA *with Characters* mark at the time he filed the Park Application, Park could not have had “a bona fide intention to use”⁵ the DADA *with Characters* trademark which thereby renders the DC Registration void *ab initio* and subject to cancellation pursuant to 37 C.F.R. § 2.71(d); T.M.E.P. §§ 803.06 and 1201.01(b).

Thus, if, as Park states in the assignment, Park assigned his rights in and to the DADA *with Characters* trademark prior to the filing of the Park Application, then Park misrepresented himself as being “entitled to use” the DADA *with Characters* mark (pursuant to an alleged “bona fide intention to use” such mark in commerce) at the time of application. In connection with his filing, Park declared to the USPTO, under penalty of perjury that he “[wa]s authorized to execute [the Park Application] and declaration,” that “he believe[d] that he [wa]s the owner of the trademark sought to be registered or if the application is being filed under 15 U.S.C. § 1051(b), he believe[d] he [wa]s entitled to use such mark in commerce,” and that “to the best of his knowledge and his belief no other person, firm, corporation, or association ha[d] the right to use said mark in commerce, either in the identical form or in such as so nearly resembles it as to be likely, when applied to the goods of such other person, to cause confusion, or to cause mistake, or to deceive; and the facts set forth in [the Park Application] are true”.⁶

³ See Exhibit G.

⁴ The foregoing assignment was submitted by DC as evidence of DC’s ownership of the DC Registration in response to office actions issued in connection with DC’s pending applications in which the DC Registration was cited as a basis for refusal (*to wit*, Serial 75/960,396 for the mark E-DADA.COM, *Stylized*, Serial 75/960,206 for the mark E-DADA.COM, *Stylized*, and Serial 75/960,450 for the mark DADANET.COM).

⁵ As stated in the Park Application.

⁶ As stated in the Park Application.

The aforesaid declaration constitutes fraud on the USPTO which “jeopardizes the validity of the [Park Application] or document or any registration resulting therefrom”. 35 U.S.C. § 25(b); T.M.E.P. § 804.01(b).

Finally, even assuming for argument’s sake that the assignment did effectively and properly assign the Park Application to DC such that DC was the valid owner of the Park Application at the time of filing, an alternative basis for cancellation of the DC Registration flows from such assignment.

By way of background, the Park Application was initially filed based upon, as stated above, a *bona fide intention* to use (or intent to use) basis and pursuant to reliance on a Korean Registration pursuant to § 44(e) (hereinafter the “§ 44(e) basis”).⁷ The intent to use basis was subsequently deleted from the Park Application on March 30, 1995 thereby leaving § 44(e) as the sole basis for registration.⁸

DC’s retroactive ownership of the DADA *with Characters* trademark and the Korean Registration which ultimately served as the sole basis for registration pursuant to Section § 44(e) invalidates the § 44(e) basis since Park (not DC) is the owner of the Korean Registration upon which the DC Registration relied. This defect in the § 44(e) basis of the Park Application renders it void *ab initio* and accordingly, subjects the DC Registration to cancellation.

Thus, given the apparent defects existing with respect to its DC registration which serves as the basis for DC’s Petition for Cancellation, Damani Dada has established a meritorious defense.

⁷ See Exhibit G for true and correct copy of the Korean Registration that was filed as part of the Park Application.

⁸ See Exhibit I for true and correct copy of the USPTO official notification letter confirming such deletion.

CONCLUSION

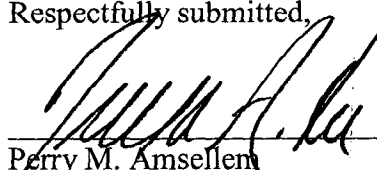
The good faith of Damani Dada and its trademark counsel cannot be reasonably questioned in this instance. Moreover, the delay here is minimal and no serious negative consequence to the proceedings will result should the instant motion for relief be granted. Furthermore, Damani Dada has established a meritorious defense.

WHEREFORE, Damani Dada prays that the instant Motion For Relief From Default Judgment on the grounds of surprise, inadvertence, or excusable neglect be granted. Damani Dada further prays that it be given thirty (30) days from the date on which this Motion is granted for the filing of its response.

Dated: New York, New York
February 3, 2003

Respectfully submitted,

By:


Perry M. Amsellem
Teresa A. Lee

Pryor Cashman Sherman & Flynn LLP
410 Park Avenue
New York, NY 10022
(212) 421-4100

Attorneys for Respondent
Damani Dada Enterprises, Inc.

CERTIFICATE OF MAILING BY EXPRESS MAIL

I, Eugene Koenig, hereby certify that on February 3, 2003, this Notice of Motion For Relief From Default Judgment and Motion For Relief From Default Judgment, accompanied by the Declarations of Teresa A. Lee and Dwayne Lewis, were deposited with the United States Postal Service as "Express Mail" in an envelope addressed to:

Assistant Commissioner for Trademarks
Trademark Trial And Appeal Board
2900 Crystal Drive
Arlington, VA 22202-3513

"Express Mail" Label No. ET 547930254 US

and to:

Matthew J. Cuccias, Esq.
Jacobson & Holman, PLLC
400 Seventh Street, N.W.
Washington, DC 20004

"Express Mail" Label No. ET 547930268 US

Signed: Eugene Koenig

PRYOR CASHMAN SHERMAN & FLYNN LLP

410 PARK AVENUE, NEW YORK, NEW YORK 10022-4441

TELEPHONE: 212-421-4100

FAX: 212-326-0806

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WRITER'S DIRECT DIAL:

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WRITER'S EMAIL:

tlee@pryorcashman.com

02-03-2003

U.S. Patent & TMO/c/TM Mail Rcpt Dt. #47

February 3, 2003

VIA EXPRESS MAIL

Assistant Commissioner
for Trademarks
Trademark Trial And Appeal Board
2900 Crystal Drive
Arlington, VA 22202-3513
Box: NO TTAB FEE

RE: DAMANI DADA, Reg. No. 2,074,086
Cancellation Proceeding No. 92040714

Dear Sir or Madam:

On behalf of our client, Damani Dada Enterprises, Inc. (hereinafter "Respondent"), enclosed herewith for filing in connection with the above-referenced proceeding pertaining to U.S. Registration No. 2,074,086 for the mark DAMANI DADA are the following particulars:

1. an original plus one copy of Respondent's Notice of Motion For Relief From Default Judgment, with notice of service on Dada Corporation (hereinafter "Plaintiff");
2. an original plus one copy of Respondent's Motion For Relief From Default Judgment with accompanying Declarations of Teresa A. Lee and Dwayne Lewis, with notice of service on Plaintiff;
3. a return post card for the foregoing filings which the U.S. Patent and Trademark Office (hereinafter the "USPTO") is requested to stamp as "RECEIVED".

PRYOR CASHMAN SHERMAN & FLYNN LLP

Assistant Commissioner for Trademarks

February 3, 2003

Page 2 of 2

Furthermore, given that USPTO records have yet to reflect Pryor Cashman Sherman & Flynn LLP as the attorneys of record pursuant to the power of attorney (hereinafter the "POA") previously filed on April 5, 2002, the undersigned requests that the USPTO records be updated accordingly. (An additional copy of the POA is enclosed herewith for convenient reference).

Finally, please ensure that (as per the POA) all correspondence in connection with the foregoing be directed to the attention of Teresa A. Lee, Esq., Pryor Cashman Sherman & Flynn LLP, 410 Park Avenue, New York, NY 10022, (212) 326-0831.

Very truly yours,


Teresa A. Lee

TAL:ek

Encls.

cc: Matthew J. Cuccias, Esq. (via Express Mail w/enclosures)

PRYOR CASHMAN SHERMAN & FLYNN LLP

410 PARK AVENUE, NEW YORK, NEW YORK 10022-4441

TELEPHONE: 212-421-4100

FAX: 212-326-0806

EMAIL: FIRM@PRYORCASHMAN.COM

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WRITER'S DIRECT DIAL:

(212) 326-0831

WRITER'S EMAIL:

tlee@pryorcashman.com

02-03-2003

U.S. Patent & TMO/c/TM Mail Rcpt Dt. #4:

April 5, 2002

VIA EXPRESS MAIL

Assistant Commissioner
for Trademarks
2900 Crystal Drive
Arlington, VA 22202-3513
BOX RESPONSES - NO FEE

RE: DAMANI DADA, Registration No. 2,074,086

Dear Sir or Madam:

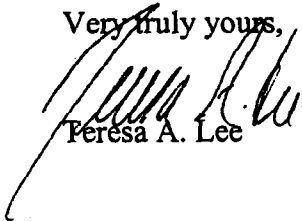
Enclosed herewith for filing are the following particulars concerning the foregoing Trademark Registration.

1. A *Change of Power of Attorney* document.
2. A return post card.

Pursuant to the aforesaid, Registrant hereby appoints Teresa A. Lee and Brad D. Rose, jointly and severally, with full power of substitution and revocation, to prosecute and to transact any and all business in the U.S. Patent and Trademark Office in connection with the subject Registration.

Applicant further requests that all future correspondence in connection with the subject Registration be directed to the attention of Teresa A. Lee, Esq., Pryor Cashman Sherman & Flynn LLP, 410 Park Avenue, New York, NY 10022, (212) 326-0831.

Very truly yours,


Teresa A. Lee

TAL:je
Encls.

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of:

Damani Dada Enterprises, Inc.

Assistant Commissioner for Trademarks
2900 Crystal Drive
Arlington, VA 22202-3513
Box: 5

CHANGE OF POWER OF ATTORNEY

Applicant hereby appoints Teresa A. Lee and Brad D. Rose, jointly and severally, with full power of substitution and revocation, to prosecute and to transact all business in the Patent and Trademark Office and to receive the Certificate of Registration, in connection with the applications and/or registrations listed in Schedule A, attached hereto.

Applicant requests that all future correspondence in connection with the applications and/or registrations listed in Schedule A be directed to the attention of: Teresa A. Lee, Esq., Pryor Cashman Sherman & Flynn LLP, 410 Park Avenue, 10th Floor, New York, NY 10022, (212) 326-0831.

Applicant hereby revokes all prior Powers in connection with these registrations and applications.

Dated: 2/20/02

DAMANI DADA ENTERPRISES, INC.

By: 

Name: Dwayne Lewis

Title: President